



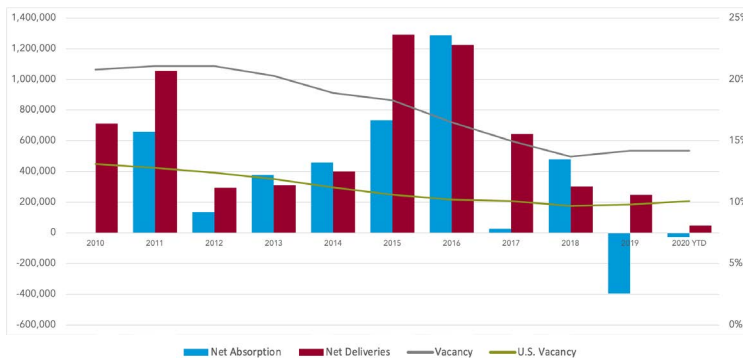
OFFICE MARKET OVERVIEW

DAN MCDONALD, *Senior Vice President*

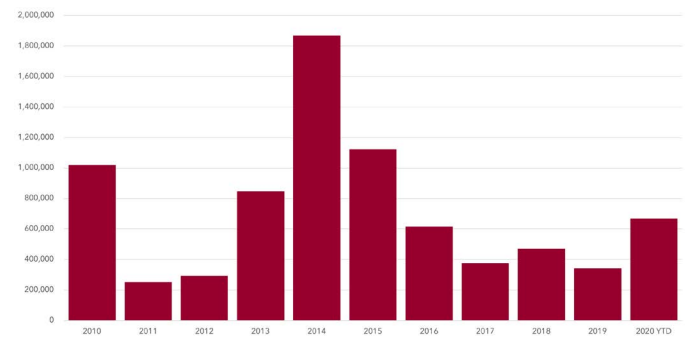
While no sector has escaped unscathed by the coronavirus outbreak, jobs losses in office using sectors have been more modest relative to other sectors, being somewhat protected by the ability to work from home. The longer-term outlook remains uncertain, with expanded adoption of remote working potentially reducing demand for space. Despite relatively solid market fundamentals, investment activity has been modest, and cap rates are high, reflecting liquidity constraints and related risk premium. Transaction activity is expected to stall over the near term and likely remain subdued as investors reevaluate the economic and property market landscape and lenders adjust credit availability.

MARKET INDICATORS	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
▼ Net Absorption	(46,788) SF	125,018 SF	(51,557) SF	(147,636) SF	(176,987) SF
▲ Vacancy Rate	14.3%	14.1%	14.8%	14.7%	14.2%
▼ Avg NNN Asking Rate	\$19.47 PSF	\$19.51 PSF	\$19.35 PSF	\$19.25 PSF	\$19.21 PSF
▲ Under Construction	1,251,084 SF	597,228 SF	326,214 SF	345,714 SF	513,086 SF
◀▶ Inventory	32,952,518 SF	32,952,518 SF	33,069,140 SF	33,069,140 SF	33,056,149 SF

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
30 Merchant St Springdale, OH	95,910 SF	\$,250,000 \$44.31 PSF	IMC Real Estate Management Wells Real Estate	Class A
7794 5 Mile Rd Cincinnati, OH	38,625 SF	\$21,095,000 \$546.15 PSF	Bethesda Hospital, Inc. Paul Hemmer Companies	Class A
2617 Legends Way Crestview Hills, KY	15,000 SF	\$1,858,000 \$123.87 PSF	Saint Elizabeth Medical Center Bertke & Sparks	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
312 Plum St Cincinnati, OH	11,902 SF	Strategic Capital Partners, LLC	Halo Communities	Business Services
9987 Carver Rd Blue Ash, OH	10,663 SF	VanTrust Real Estate LLC	VACO	Business Services
4030 Smith Rd Cincinnati, OH	5,963 SF	Matrix Holdings, LLC	Risk Strategies	Business Services